



Overview and Scrutiny Commission

2 February 2026

Report Title	2026/27 Budget Scrutiny Task Group Final Report
Cabinet Portfolio	Finance & Governance (Finance)
Cabinet Member	Councillor Andy Bowden
Exempt Report	No
Reason for Exemption	N/A
Key Decision	No
Public Notice issued	N/A
Wards Affected	All
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Borough Priorities	Ensure children and young people have a positive start in life.	X
	Promote good health, independence, and care across our communities.	X
	Create safe and strong communities and neighbourhoods for all.	X
	Support a strong, thriving, inclusive and well-connected local economy.	X
	Create green and vibrant places that reflect our heritage and culture.	X
	Be a responsible Council.	X

1. Summary

- 1.1 This report provides an overview of the 2026/27 Budget Scrutiny Task Group's examination of the Council's budget setting process and sets out its findings and recommendations. The Commission is required to approve the statement which will be submitted to Cabinet and Council as part of the reports on the 2026/27 Budget.

2. Recommendation for Decision

Overview and Scrutiny Commission is recommended to:

- 1) note the report;**
- 2) approve the statement of the 2026/27 Budget Task Group in relation to the robustness of the budget setting process; and**
- 3) submit the statement to the Director of Finance (Section 151 Officer) for inclusion in the Budget Report to Cabinet and Council.**

3. Purpose of this report

- 3.1 This report presents to the Overview and Scrutiny Commission, the recommended statement of the Commission on the budget setting process for 2026/27 following the meeting of the 2026/27 Budget Scrutiny Task Group held on 15 January 2026.

4. Background / Reason for the recommendations

- 4.1 As part of the Overview and Scrutiny Commission's work programme a Budget Task Group was established to review the Council's budget setting process for the 2026/27 Budget. The aims and objectives of the Task Group were:

- To examine the robustness of the 2026/27 Budget setting process; and
- To examine whether sufficient consideration had been given to relevant information when developing the 2026/27 Budget.

- 4.2 The following members of the Overview and Scrutiny Commission took part in the Task Group:

- Councillor Mancyia Uddin (Chair)
- Councillor John Hodkinson
- Councillor Linda Mussell
- Councillor Bisi Osundeko
- Councillor James Tasker

- 4.3 The Task Group met on the 15 January 2026. All Cabinet Members and Executive Directors were invited to attend the meeting to provide an overview

of the processes that they had undertaken to develop the budgets for their respective areas. Prior to the Budget Task Group meeting, members of the Overview and Scrutiny Commission attended an online briefing with the Director of Finance on 6 November 2025 regarding the progress to date of the budget setting process and expectations ahead of Government's Autumn Statement. The meeting on 15 January 2026 provided further clarification regarding the settlement the Council had received from the Government and the impacts on the budgets set for 2026/27.

- 4.4 The Task Group focused on assessing the robustness of the budget setting process, the general implications of the budget proposals and any alternatives that had been considered rather than a formulaic line-by-line scrutiny of the individual decisions themselves. The Task Group was also aware that the 2026/27 budget was the final year of the three year Medium-Term Financial Strategy (MTFS) which had been set by Council in March 2024. Therefore, the focus was on how the 2026/27 budgets needed to be updated from those set in the MTFS
- 4.5 During the meeting the Task Group received a presentation about the budget setting process. The Director of Finance (Section 151 Officer) provided an overview of the budget timetable, the current in-year financial position, an update in relation to the MTFS, an overview of the provisional settlement from Government and other funding streams, and an overview of the public consultation process and responses. Executive Director for Place and Executive Director of People presented an overview of the budget proposals in each of their directorates and the Director of Finance provided an overview of the Corporate Services budget.
- 4.6 Councillor Bowden, as Cabinet Member responsible for Finance, was present to answer questions from the Task Group. There was an understanding that with 2026/27 being the third and final year of the current MTFS there was little room within budgets for additional spending or savings, and every penny needed to be managed effectively. The focus on the Task Group was on how the Council was able to stick to the MTFS and where adjustments needed to be made.
- 4.7 To document its findings and conclusions the Task Group developed the statement on the budget setting process set out in section 4.8 to 4.14. The Task Group recommends that the Overview and Scrutiny Commission adopt this statement and that the statement be submitted to Cabinet and Council for consideration during determination of the 2026/27 Budget.

Statement of the Commission on the Budget Setting Process

- 4.8 The Overview and Scrutiny Commission (Commission) established a cross-party Task Group to examine the robustness of the 2026/27 budget setting process undertaken by cabinet members and officers. To examine the budget

setting process, the Task Group held a meeting on 15 January 2026 (having previously met with the Director of Finance on 6 November 2025 for a briefing on budget development progress). Cabinet members and senior officers attended the meeting to provide an overview of the processes they undertook to determine the decisions that were required to set a balanced budget. The Commission is thankful to all cabinet members and senior officers for their commitment to supporting the scrutiny process.

- 4.9 The Commission notes the overspends that have occurred this year and recognises the persistent reasons for budget pressures from high levels of demand in Adults and Children's Social Care and SEN education provision as these have been themes considered by the four scrutiny committees throughout the municipal year. The Commission is assured that the reasoning behind the Council's financial position is also well understood by officers and cabinet members and the Commission notes the efforts that have been taken to address those budget pressures. Budget pressures brought about by demand for Children's and Adults' services together with inflated prices for external provision are difficult to mitigate and are unavoidable due to the Council's statutory duties to provide these services and a desire to provide good outcomes for our vulnerable residents.
- 4.10 With regards to unrealised savings that Commission understands the Council's current situation, again as the four scrutiny committees have been monitoring performance throughout the municipal year, and is encouraged by news from Executive Directors that progress is being made on some key projects that will enable the Council to realise more of those savings that were earmarked in the Medium Term Financial Strategy.
- 4.11 The Commission is reassured regarding the stability of the Council's financial position given the significant changes to funding brought about by the Fair Funding Review and changes to deprivation formulas. The Commission notes, however, that increased revenue will not lead to additional spending power but rather cover the increased costs that the Council is facing. The Commission understands the merging of previously ringfenced budgets into the base Grant give the appearance that the Council is receiving more funding but this is simply a repackaging of grants and there will still be a requirement to increase Council Tax rates to generate a balanced budget.
- 4.12 The Commission is satisfied that the Council's budget setting process has been robust and that decisions regarding spending plans are well understood and relevant information has been taken into account.
- 4.13 The Commission is pleased that there was a good response to the public consultation on the budget and that there appears to be a recognition for most of the public that difficult decisions are required to continue to provide services in a sustainable way. The Commission notes that as budgets had already been

projected as part of the MTFS the consultation process is different this year. The Commission is assured that the feedback from the public will be given due consideration during the finalising of the Council's budget.

- 4.14 The Commission will continue to play its role in holding services to account for the delivery of savings through its work on the Quarterly Financial Monitoring Reports and contribute to efforts to communicate effectively with the public on this issue where appropriate.

5. Consideration of Alternatives

- 5.1 N/A

6. Conclusions

- 6.1 This report provides an overview of the 2026/27 Budget Scrutiny Task Group's examination of the Council's budget setting process and sets out its findings and recommendations. The Commission is requested to approve the statement on the robustness of the budget setting process that the Task Group developed following their meeting with senior officers and cabinet members. An approved statement will be submitted to Cabinet and Council as part of the report on the 2026/27 Budget.

7. Legal Implications

- 7.1 Whilst there will be legal implications associated with the approval of a Budget for 2026/27 by Cabinet and Council, there are no legal implications of the decision by the Overview and Scrutiny Commission to submit a statement in relation to the budget setting process to Cabinet and Council for them to consider. The Budget Task Group process has been undertaken in line with the Overview and Scrutiny Procedure Rules set out in the Council's Constitution and good scrutiny practices.

8. Financial Implications

- 8.1 Whilst there will be financial implications associated with the approval of a Budget for 2026/27 by Cabinet and Council, there are no financial implications of the decision by the Overview and Scrutiny Commission to submit a statement in relation to the budget setting process to Cabinet and Council for them to consider.

9. Equality Impact Assessment

- 9.1 No equality impact assessment was required as part of the 2026/27 Budget Scrutiny Task Group's work.

10. Social Value

10.1 The proposed statement of the Commission will have no direct impact on social value.

11. Net Zero and Environment

11.1 The proposed statement of the Commission will have no direct impact on sustainability of the environment.

12. Health and Wellbeing

12.1 The proposed statement of the Commission will have no direct impact on health and wellbeing of residents.

13. Customer and Resident

13.1 There are no direct customer or resident impacts in this report. The report provides customers and residents with the opportunity to understand more about the views of the Overview and Scrutiny Commission in relation to the Council's budget setting process.

14. Asset and Property

14.1 There are no direct impacts on assets and property of this report.

15. Staffing and People Management

15.1 There are no direct staffing or People Management implications of this report.

16. Risks

16.1 Failure to carry out some form of scrutiny in relation to the budget setting process would undermine the robustness of the budget setting process and could potentially lead to issues within the final budget. Having undertaken a scrutiny review of the budget setting process the Council has mitigated this risk.

17. Policy Framework Implications

17.1 No Council policies are affected by the recommendations in this report.

18. Impact and Opportunities on Localities

18.1 There are no direct impacts or opportunities on localities resulting from this report.

19. Background Documents

19.1 2026/27 Budget Task Group agenda for meeting held on 15 January 2026

19.2 PowerPoint presentation delivered to the Task Group on 15 January 2026

20. Appendices

20.1 None.